



North Carolina Economic Update

September 20, 2016

Summary

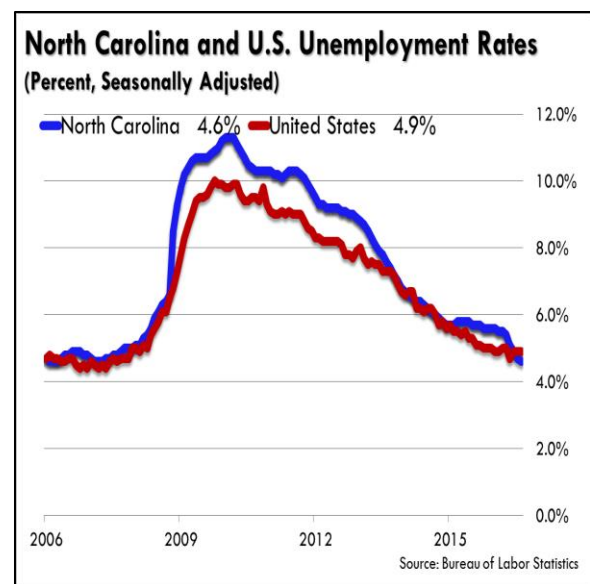
Nonfarm payroll employment in North Carolina declined by 14,100 jobs, and the unemployment rate fell to 4.6 percent in August according to data released by the Bureau of Labor Statistics (BLS).

North Carolina Unemployment Rate

During August, the unemployment rate in North Carolina declined by 0.1 percentage point to 4.6 percent. The number of people counted as unemployed fell by 3,808 in August to 221,746, while the labor force fell by 16,424 to 4,810,538. Among the 50 states and the District of Columbia, 23 posted lower unemployment rates for the month than North Carolina. A year earlier, the unemployment rate in North Carolina stood at 5.7 percent.

The 10-year peak for the unemployment rate in North Carolina was 11.3 percent in March 2010. This also represents the series high for the unemployment rate in North Carolina. The 10-year low for the unemployment rate in North Carolina was 4.6 percent in August 2016. The series low for the unemployment rate in North Carolina occurred in April 1999 when the unemployment rate was 3.0 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 4.9 percent in August. August's unemployment rate was 0.2 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



North Carolina Payroll Employment

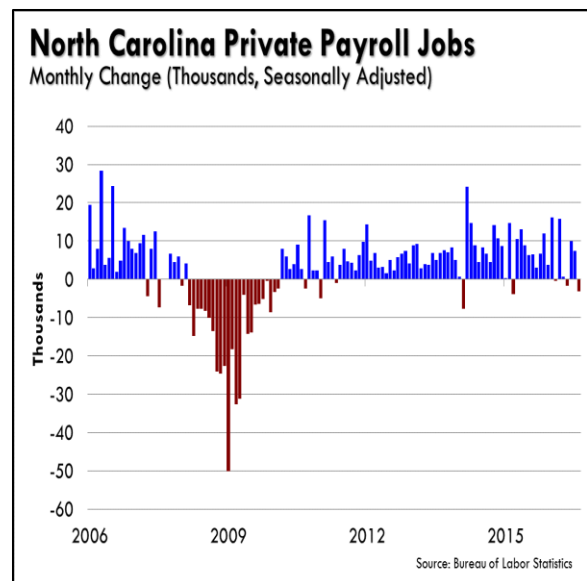
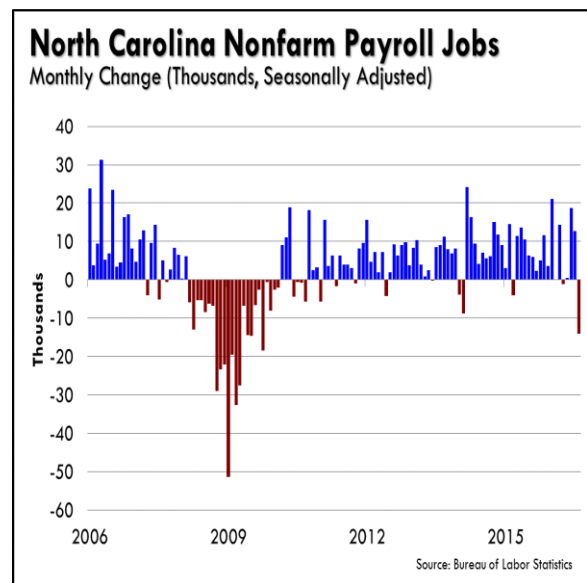
North Carolina nonfarm payrolls declined by 14,100 jobs, or 0.32 percent, on a seasonally adjusted basis during August. In the prior month, nonfarm payrolls increased by 12,700. Over the past 12 months, nonfarm payrolls in North Carolina increased by 74,800, or 1.76 percent. North Carolina nonfarm payroll employment has increased in 10 of the past 12 months.

Nationally, nonfarm payrolls increased by 151,000 jobs in August, or 0.1 percent. Over the 12-month period ending August 2016, nonfarm payrolls grew by 2,447,000 jobs, or 1.72 percent. North Carolina ranks 21st among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During August, North Carolina private-sector payrolls declined by 3,100, or 0.09 percent. Private-sector payrolls increased by 7,500 jobs in the prior month. Over the past 12 months, private-sector payrolls in North Carolina increased by 70,200, or 1.99 percent. North Carolina private-sector payroll employment has increased in 9 of the past 12 months.

Nationally private-sector payroll jobs increased by 126,000 jobs in August, or 0.1 percent. Over the past 12 months, the nation's economy has added 2,283,000 jobs in the private sector, an increase of 1.9 percent. North Carolina ranks 23rd among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

During August, total government payroll employment in North Carolina declined by 11,000, or 1.49 percent. Federal government payroll employment declined by 100, or 0.14 percent. State government payroll employment declined by 1,600, or 0.76 percent, while local government payroll employment declined by 9,300, or 2.04 percent.



Over the past year, total government payroll employment increased by 4,600, or 0.64 percent. State government payroll employment increased by 100, or 0.05 percent. Local government payroll employment increased by 2,400, or 0.54 percent.

The best performing sectors on a seasonally adjusted basis during August were Educational & Health Services (+1,900) and Manufacturing (+1,400). The poorest performing sectors during the month were Total Government (-11,000) and Leisure & Hospitality (-2,300).

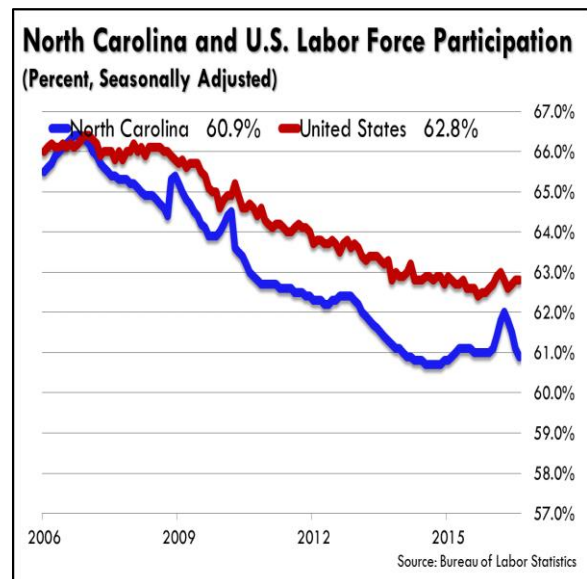
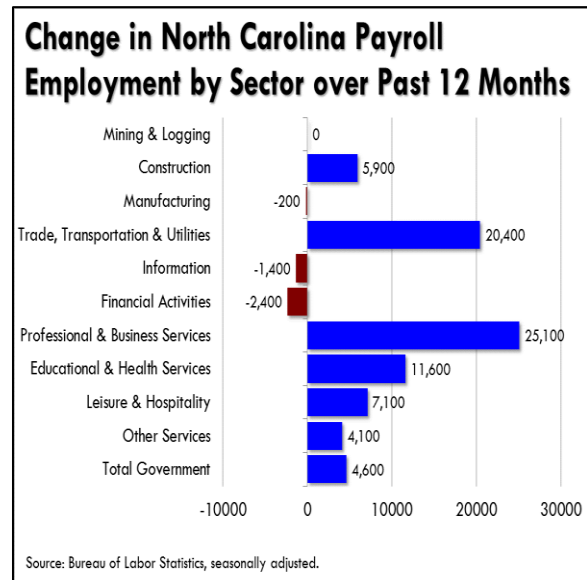
The best performing sectors during the last twelve months were Professional & Business Services (+25,100) and Trade, Transportation & Utilities (+20,400). The poorest performing sectors during the last twelve months were Financial Activities (-2,400) and Information (-1,400).

Other North Carolina Labor Force Statistics

The labor force participation rate in North Carolina declined to 60.9 percent in August from 61.1 percent the prior month. Among the 50 states and the District of Columbia, 36 have a higher labor force participation rate than North Carolina. The labor force participation rate in North Carolina is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in North Carolina was 66.4 percent in November 2006. The series high for the labor force participation rate in North Carolina occurred in December 1989 when the labor force participation rate hit 69.0 percent. The 10-year low for the labor force participation rate was 60.7 percent in November 2014. This also represents the series low for the labor force participation rate in North Carolina.

The national labor force participation rate was unchanged at 62.8 percent, but remains near its 38-year low of 62.4 percent.



The employment-to-population ratio, or the percentage of the North Carolina civilian noninstitutionalized population 16 years and older counted as employed, declined to 58.1 percent in August from 58.3 percent the prior month. Among the 50 states and the District of Columbia, 36 have higher employment-to-population ratios than North Carolina. The employment-to-population ratio in North Carolina is 0.5 percentage point higher than a year earlier.

The 10-year high for the employment-to-population ratio in North Carolina was 63.2 percent in December 2006. The series high for the employment-to-population ratio in North Carolina occurred in December 1989 when the employment-to-population ratio hit 66.7 percent. The 10-year low for the employment-to-population ratio was 56.1 percent in September 2011. The series low for the employment-to-population ratio occurred in October 2011 when the employment-to-population ratio was 56.1 percent.

The national employment-to-population ratio held steady at 59.7 percent in August. That rate was 0.3 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for September is scheduled for release on October 21, 2016. The national employment situation report for September will be released on Friday, October 7, 2016.

